

Palestine Development and Investment Limited (PADICO)

Limited Liability Holding Company

Unaudited Interim Condensed Consolidated Financial
Statements

March 31, 2026

Palestine Development and Investment Limited (PADICO)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at March 31, 2026

	March 31, 2026	December 31, 2025
	(Unaudited)	(Audited)
	U.S. \$ (000's)	U.S. \$ (000's)
<u>Assets</u>		
Non-current assets		
Property, plant and equipment	21,047	21,270
Intangible assets	23,853	19,603
Investment properties	12,652	13,879
Projects in progress	21,891	24,912
Right-of-use assets	6,071	6,127
Investment in associates and joint ventures	476,865	467,764
Financial assets at fair value through other comprehensive income	89,494	94,620
Long-term accounts receivable	4,384	4,347
	<u>656,257</u>	<u>652,522</u>
Current assets		
Inventories and ready for sale properties	13,687	13,426
Accounts receivable and other current assets	22,085	18,989
Financial assets at fair value through profit or loss	1,036	932
Cash and short-term deposits	16,495	28,636
	<u>53,303</u>	<u>61,983</u>
Total assets	<u>709,560</u>	<u>714,505</u>
<u>Equity and liabilities</u>		
Equity		
Paid-in share capital	250,000	250,000
Share premium	16,932	16,932
Treasury shares	(364)	(364)
Statutory reserve	35,807	35,807
Voluntary reserve	1,594	1,594
Fair value reserve	(19,750)	(6,959)
Foreign currency translation reserve	1,884	1,769
Retained earnings	193,714	184,060
Equity attributable to equity holders of the parent	<u>479,817</u>	<u>482,839</u>
Non-controlling interests	<u>10,322</u>	<u>10,649</u>
Total equity	<u>490,139</u>	<u>493,488</u>
Non-current liabilities		
Long-term loans and borrowings	34,508	33,885
Debt bonds	120,000	120,000
Provision for employees' indemnity	2,518	2,451
Long-term lease liabilities	7,241	7,207
Other non-current liabilities	4,302	4,302
	<u>168,569</u>	<u>167,845</u>
Current liabilities		
Short-term portion of long-term loans, Islamic borrowings and credit facilities	5,194	6,803
Accounts and notes payable	2,230	2,685
Short-term lease liabilities	1,059	968
Income tax provision	2,460	2,527
Other credit balances	39,909	40,189
	<u>50,852</u>	<u>53,172</u>
Total liabilities	<u>219,421</u>	<u>221,017</u>
Total equity and liabilities	<u>709,560</u>	<u>714,505</u>

Palestine Development and Investment Limited (PADICO)

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT
For the three-months period ended March 31, 2026

	March 31, 2026	March 31, 2025
	(Unaudited)	(Unaudited)
	U.S. \$	U.S. \$
	(000's)	(000's)
<u>Revenues</u>		
Revenue from contracts with customers	971	1,846
PADICO's share of results of operations from associates and joint ventures	9,512	7,780
Gain from financial assets portfolio	4,518	4,477
Revenue from investment properties	1,569	1,264
	<u>16,570</u>	<u>15,367</u>
<u>Expenses</u>		
Operating costs and expenses	(1,837)	(2,046)
General and administrative expenses	(2,286)	(1,289)
Finance costs	(2,584)	(3,742)
Depreciation and amortization	(136)	(113)
	<u>9,727</u>	<u>8,177</u>
Other losses and expenses, net	<u>(327)</u>	<u>(3,689)</u>
Profit for the period before income tax from continuing operations	9,400	4,488
Income tax expense	(52)	(111)
Profit for the period from continuing operations	<u>9,348</u>	<u>4,377</u>
Profit for the period from discontinued operations	-	3,247
Profit for the period	<u>9,348</u>	<u>7,624</u>
Attributable to:		
Equity holders of the parent	9,658	6,240
Non-controlling interests	(310)	1,384
	<u>9,348</u>	<u>7,624</u>
Basic and diluted earnings per share from profit for the period attributable to equity holders of the parent	<u>0.039</u>	<u>0.026</u>
Basic and diluted earnings per share from profit for the period from continuing operations attributable to equity holders of the parent	<u>0.039</u>	<u>0.012</u>

Palestine Development and Investment Limited (PADICO)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the three-months period ended March 31, 2026

	March 31, 2026 <u>(Unaudited)</u> U.S. \$ (000's)	March 31, 2025 <u>(Unaudited)</u> U.S. \$ (000's)
Profit for the period	9,348	7,624
Other comprehensive income items:		
<i>Items to be reclassified to consolidated income statement in subsequent periods:</i>		
Foreign currency translation differences	62	(1,946)
PADICO's share of other comprehensive income items of associates and joint ventures	<u>53</u>	<u>(291)</u>
	<u>115</u>	<u>(2,237)</u>
<i>Items not to be reclassified to consolidated income statement in subsequent periods:</i>		
Net (losses) gains of financial assets at fair value through other comprehensive income	(5,126)	1,697
PADICO's share of other comprehensive income of associates	<u>(7,659)</u>	<u>2,786</u>
	<u>(12,785)</u>	<u>4,483</u>
Other comprehensive income items for the period	<u>(12,670)</u>	<u>2,246</u>
Total comprehensive income for the period	<u><u>(3,322)</u></u>	<u><u>9,870</u></u>
Attributable to:		
Equity holders of the parent	(3,018)	9,389
Non-controlling interests	<u>(304)</u>	<u>481</u>
	<u><u>(3,322)</u></u>	<u><u>9,870</u></u>

Palestine Development and Investment Limited (PADICO)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three-months period ended March 31, 2026

	Attributable to equity holders of the parent									Non-controlling interests	Total equity
	Paid-in share capital	Share premium	Treasury shares	Statutory reserve	Voluntary reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total		
	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)
March 31, 2026											
Balance as at January 1, 2026	250,000	16,932	(364)	35,807	1,594	(6,959)	1,769	184,060	482,839	10,649	493,488
Profit for the period	-	-	-	-	-	-	-	9,658	9,658	(310)	9,348
Other comprehensive income items for the period	-	-	-	-	-	(12,791)	115	-	(12,676)	6	(12,670)
Total comprehensive income for the period	-	-	-	-	-	(12,791)	115	9,658	(3,018)	(304)	(3,322)
Acquisition of a non-controlling interests	-	-	-	-	-	-	-	(4)	(4)	(23)	(27)
Balance as at March 31, 2026 (Unaudited)	<u>250,000</u>	<u>16,932</u>	<u>(364)</u>	<u>35,807</u>	<u>1,594</u>	<u>(19,750)</u>	<u>1,884</u>	<u>193,714</u>	<u>479,817</u>	<u>10,322</u>	<u>490,139</u>
March 31, 2025											
Balance as at January 1, 2025	250,000	16,932	(74,044)	34,471	1,594	(74,109)	2,289	180,711	337,844	63,197	401,041
Profit for the period	-	-	-	-	-	-	-	6,240	6,240	1,384	7,624
Other comprehensive income items for the period	-	-	-	-	-	4,288	(1,139)	-	3,149	(903)	2,246
Total comprehensive income for the period	-	-	-	-	-	4,288	(1,139)	6,240	9,389	481	9,870
Sale of common shares	-	-	73,680	-	-	-	-	(14,449)	59,231	(497)	58,734
Acquisition of a non controlling interests	-	-	-	-	-	-	-	25	25	(170)	(145)
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	232	232
Balance as at March 31, 2025 (Unaudited)	<u>250,000</u>	<u>16,932</u>	<u>(364)</u>	<u>34,471</u>	<u>1,594</u>	<u>(69,821)</u>	<u>1,150</u>	<u>172,527</u>	<u>406,489</u>	<u>63,243</u>	<u>469,732</u>

Palestine Development and Investment Limited (PADICO)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the three-months period ended March 31, 2026

	March 31, 2026 (Unaudited) U.S. \$ (000's)	March 31, 2025 (Unaudited) U.S. \$ (000's)
<u>Operating Activities</u>		
Profit for the period before income tax from continuing operations	9,400	4,488
Profit for the period before income tax from discontinued operations	-	3,556
Profit for the period before income tax	9,400	8,044
Adjustments for:		
Depreciation and amortization	872	1,929
Finance costs	2,733	4,304
Impairment of projects in progress	-	150
PADICO's share of results of operations from associates and joint ventures	(9,512)	(8,911)
Impairment of investment in associates	-	600
Gain from financial assets portfolio	(4,518)	(5,533)
Other non-cash items	86	590
	(939)	1,173
Working capital adjustments:		
Accounts receivable and other current assets	1,280	(8,042)
Inventories and ready for sale properties and biological assets	-	(69)
Accounts payable and other credit balances	1,006	376
Income tax and employees' indemnity paid	(154)	(563)
Net cash used in operating activities	1,193	(7,125)
<u>Investing Activities</u>		
Purchase of shares in associates	(7,099)	-
Joint ventures	(96)	(52)
Property, plant and equipment	(4)	(740)
Intangible assets	(95)	-
Investment properties	941	-
Projects in progress	(1,549)	(1,097)
Term deposits maturing over a period longer than three months	8,581	1,200
Net cash from (used in) investing activities	679	(689)
<u>Financing Activities</u>		
Distributed cash dividends paid	(1)	(6)
Long-term loans and borrowings	(986)	(14,002)
Finance costs paid	(4,473)	(5,734)
Common shares	-	58,734
Acquisition of non-controlling interests	(27)	(145)
Payments of lease liabilities	15	43
Change in non-controlling interests	-	232
Change in restricted cash	13	(56)
Net cash (used in) from financing activities	(5,459)	39,066
(Decrease) increase in cash and cash equivalents	(3,587)	31,252
Foreign currency translation differences	40	(14)
Cash and cash equivalents, beginning of the period	18,921	11,652
Cash and cash equivalents, end of the period	15,374	42,890